



TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MONDAY, MARCH 23, 2015
FROM:	JOHN BRAAM, P. ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT	TENDER 14-116 SUPPLY AND INSTALLATION OF SEWER LINERS – CURED IN PLACE PIPE (CIPP)

RECOMMENDATION

That on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to Tender 14-116:

- a) The bid submitted by Insituform Technologies Limited, 3 Burford Road, Hamilton, ON, L8E 3C6 at their tendered price of \$3,414,000 (HST excluded), for one (1) year with an option to renew for two (2) additional one (1) year terms, **BE ACCEPTED**, it being noted that the bid submitted by Insituform Technologies Limited was the lowest of two (2) bids and meets the City’s specifications and requirements in all areas;
- b) The funding for this purchase **BE APPROVED** as set out in the Source of Finance Report attached hereto as Appendix “A”;
- c) The Civic Administration **BE AUTHORIZED** to undertake all of the administrative acts that are necessary in connection with this contract;
- d) The approval hereby given **BE CONDITIONAL** upon the Corporation entering into formal contract or issuing purchase orders or contract record relating to these matters of this approval.

BACKGROUND

Purchasing Process

Two (2) bids were received as a result of this tender call on March 3, 2015 as summarized below. Insituform Technologies Limited submitted the overall low bid and meets our terms, conditions and specifications in all areas.

Contractor		Tender Price Submitted
1.	Insituform Technologies Ltd.	\$3,414,000.00 (HST excluded)
2.	Capital Sewer Services Inc.	\$3,778,094.00 (HST excluded)

The Tender estimate prior to opening was \$4,300,000.00 (excluding H.S.T.)
 All tenders include a Contingency Allowance of \$450,000.00 and a Bonus/Penalty of \$75,000.00.

Purpose

A tender was called seeking competitive submissions for Supply and Installation of Sewer Liners – Cured in Place Pipe (CIPP). This annual program effectively reduces operating costs associated with routine maintenance, reinstates design capacities and extends the life of existing storm and sanitary pipe within the City’s sewer infrastructure, through trenchless methods of construction. This program creates large capital cost avoidance by conducting trenchless instead of open cut construction. Over \$165 million of open cut construction was avoided over the last five years. In addition, duration of work is shortened to a day compared to months for open cut construction, which mitigates the negative social impact. Selected sewer pipe locations for lining are determined through the City’s annual Sewer Video program.

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Approximately 11,500 meters of sewer will be lined as part of this contract. This year's work will also include the lining of the Mill Street brick trunk sewer, a continuation of previous brick sewer lining completed on Ridout Street, North and Talbot Street.

Financial Impact

Funding for this project has been provided in ES2693-14 and ES2693-15.

There are no anticipated additional operating costs associated with this project. There will be a financial and operational benefit to the City if the supply and installation of Sewer Liners – Cured in Pipe Place (CIPP) is completed expeditiously and there will be a financial and operational liability to the City if the supply and installation of Sewer Liners – Cured in Place Pipe (CIPP) is delayed. Included in this award is funding in the amount of \$75,000.00 to address if the work is completed by the dates specified in the tender documents.

Acknowledgements

This report was prepared with the assistance of Dave Jones, Technologist II, Dave Jackson, Environmental Service Engineer, and Steve Mollon, Procurement Specialist.

SUBMITTED BY:	REVIEWED & CONCURRED BY:
JUSTIN LAWRENCE DIVISION MANAGER, CONSTRUCTION ADMINISTRATION	ANNA LISA BARBON, CPA, CGA DIRECTOR, FINANCIAL SERVICES
RECOMMENDED BY:	
JOHN BRAAM, P. ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

Attach: Appendix "A" – Source of Financing